



Republican Policy Committee

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[This paper summarizes the Dole/Daschle Amendment No. 2683 and the Gramm Amendment No. 2615 which will both undergo roll call votes today at approximately 2:45pm.]

Dole/Daschle Compromise Amendment

Child Care

- Earmarks approximately \$1 billion annually from the \$16.8 billion Temporary Assistance for Needy Families block grant for child care. States must use all of this earmarked money for child care.
- Authorizes and appropriates an additional \$3 billion over five years for child care, to be distributed among the states based on the funds for the Title IV-A at-risk child care program.
- To be eligible for these funds, states must comply with the following conditions:
 - Spend the same amount on child care as they did on the IV-A child care program in FY 94.
 - Spend additional money on child care. This additional money would be matched by the federal government at the Medicaid rate out of the \$3 billion federal allocation.

Work Requirements

- At state option, single parents with children under the age of 6 may not be required to work more than 20 hours per week. (The current bill would require them to work at least 35 hours per week by 2002.)
- States can count these individuals toward meeting their work participation requirements.

Job Training

- Strips provisions relating to job training from the bill. [NOTE: A unanimous consent agreement provides for consideration of the job training provisions as a free-standing bill.]

Contingency Grant Fund

- Appropriates \$1 billion over five years for a new "contingency fund." To be eligible to receive these funds, a state must have an unemployment rate that is at least 6.5 percent and that is 110 percent of the rate for the corresponding quarters of either of the two previous years.
- To receive these funds, states must comply with the following conditions:
 - Spend the same amount on welfare as they did in FY 94.
 - Spend additional money on welfare. This additional spending would be matched by the federal government at the Medicaid rate out of the allocation for the federal contingency grant fund.

Hardship Exemption

- Under the Dole bill, states can allow up to 15 percent of recipients who have received welfare benefits for at least 60 months to continue on the welfare rolls.
- The modification increases this "hardship exemption" to 20 percent.

Abstinence Education

- Increases funding for the Maternal and Child Health block grant by \$75 million per year and earmarks this additional money for abstinence education.

Program Evaluation

- Authorizes \$20 million per year for program evaluation.

Food Stamps

- Reduces the standard deduction from income given to all food stamp recipients from the current level of \$134 to \$132 in FY 1996 (as in the original S. 1120) and then immediately down to \$124 in FY 1997 where it would remain through FY 2002 (instead of the \$2 per year incremental reduction in S. 1120).
- CBO's preliminary estimate of this change indicates that it would generate \$1.1 billion in additional savings.

SSI

- Requires that all SSI recipients identified as having substance abuse problems be referred for treatment.
- Authorizes an additional \$50 million per year for each of fiscal years 1997 and 1998 for treatment funded under the Substance Abuse Block Grant.
- Conforms age for SSI eligibility to social security retirement age.

Gramm Amendment

Federal Bureaucracy

- Requires a greater reduction in the federal bureaucracy of block granted programs.
- The Gramm amendment requires a 75 percent reduction and a similar reduction in that portion of the HHS's departmental management that oversees the functions of AFDC.

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